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31 July 1981

STUDY OF INTELLIGENCE CAPABILITIES, 1985-1990Background

Early in the Reagan Administration, the Assistant to the President for National Security Affairs requested that the DCI prepare "an estimate of the intelligence capabilities which will be necessary to the United States by 1985...The estimate...could be used as a blueprint against which incremental augmentation of current capabilities could be measured." An inter-agency mechanism, consisting of an Executive Steering Group and a Staff Working Group, was subsequently established under DDCI leadership to respond to Mr. Allen's request.

As a first step in developing the requested estimate, the Staff Working Group met during June to document the collective US intelligence requirements for the 1985-1990 time frame and the challenges these requirements presented to the US Intelligence Community. The Steering Group met on 8 July and approved a statement of intelligence challenges for use in the next phase of the effort. With this statement serving as a set of goals, the Working Group is now in the process of identifying deficiencies in the US intelligence system and the augmentations that will be required to overcome those deficiencies by the mid-1980s. Within the Agency, interdirectorates teams were formed to assess the potential impact of the challenges on the CIAP and to prepare the Agency input to the Staff Working Group. The estimate, which appears below in aggregate form and in greater detail in Tab A was developed by the interdirectorates teams during the past few weeks. Tab B provides a display of the resources impact for each challenge.

Estimating Ground Rules

--Baseline: The Staff Working Group established FY 1982 as the capabilities base for identifying needed increments on the grounds that the FY 1982 NFIP has, in effect, been approved and that the capabilities planned for the end of FY 1982 will, in fact, be in place. The resource estimate that we have developed for CIA is intended to cover the costs of increasing CIA's capabilities from that FY 1982 level to the level necessary to cope adequately with the challenges.

--Target Date: The end of FY 1986 was chosen as the earliest date by which most of the estimated augmentations in capabilities could reasonably be absorbed. The resource estimates are for increased personnel levels, average annual operating costs, and cumulative capital outlays that would be incurred during the period. (It is important to note that some of these resource costs have been previously included in Agency planning for outyear programs and initiated in FY 1982 or earlier. Examples are the NPIC update, SAFE, and commo improvements.)

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--Inflation: No attempt was made to account for inflation beyond 1982.

--Scope: The estimates of increased resources are meant to be comprehensive--that is, to cover the costs of added collection, analysis (including all processing of raw information required for finished intelligence production), and support.

The Estimate

The bottom line estimate is that the Agency would require resource commitments on the order of:

25X1 nal people over the FY 1982 level
for added annual operating costs
in capital outlays

to increase the FY 1982 capabilities to the level required to meet the challenge.

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